Public Laws: 103rd Congress / 1st Session / Senate Bills / 1993 / File 1

103D CONGRESS
1ST SESSION

S. 28

To improve the health of the Nation's children, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 21 (legislative day, JANUARY 5), 1993

Mr. MCCAIN introduced the following bill; which was read twice and referred to the Committee on Finance

---

A BILL

To improve the health of the Nation's children, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Children's Health Care Improvement Act of 1993".

SEC. 2. FINDINGS.

Congress finds that—

(1) America's children represent the hope and future of our country, and are a resource we cannot afford to squander;

(2) Americans under 18 represent one-fourth of those without health insurance, with nearly 9.8 million children completely uninsured;

(3) uninsured children are less likely to see a doctor for preventive or basic care and more likely to visit the more expensive emergency room setting for care when they become ill;

(4) uninsured children are more likely to miss school and may not learn as effectively as insured children;

(5) elementary and secondary schools provide a large applicant pool for insurance, much like that of a university, permitting children to join with their peers in purchasing insurance will result in lower rates;

(6) the WIC, Medicaid and Maternal and Child Health block grant programs each provide critical services to low income mothers and children, but barriers to services exist due to the fact that in most States these programs have individual eligibility processes;

(7) routine immunization of children against common disease is cost effective and an effective measure against disease proliferation;

(8) migrant and community health centers are a critical link to preventive and primary health care services, and there is a need for expansion of this critical program; and

(9) early identification and monitoring of those children and mothers at risk of abuse or neglect to ensure that they have access to health and social services is cost effective.

TITLE I—SCHOOL-BASED HEALTH INSURANCE

SEC. 101. ESTABLISHMENT OF PROGRAM.

(a) IN GENERAL.—The Secretary of Education, in consultation with the Secretary of Health and Human Services, shall establish a program under which local educational agencies (as such term is defined in section 1471(12) of the Elementary and Secondary Education Act of 1965) shall offer basic health insurance coverage to eligible students in such schools.

(b) REQUIREMENTS.—

(1) APPLICABILITY.—The provisions of this section shall apply to each local education agency that receives Federal educational assistance.

(2) STATE EDUCATION DEPARTMENTS.—

(A) POLICIES.—The department of education for a State shall determine the types of

health insurance policies that should be offered under this section by local education agencies of such State. In making such determination, the department shall ensure that coverage under a fee-for-service plan and a managed care plan is available to the local educational agencies in the State.

(B) ANNUAL REPORTS.—The department of education for a State shall annually prepare and submit to the Secretary of Education a report that describes the health insurance policies offered under this section in the public schools in such State.

(3) HEALTH INSURANCE COVERAGE.—The Secretary of Health and Human Services, shall determine the minimum requirements that any health insurance plan offered under this section must meet, including—

(A) the primary, preventative, medical, emergency and surgical care services and benefits to be covered under such plan; and

(B) any other matter determined appropriate by such Secretary.

(4) LOCAL ADMINISTRATION.—The department of education for a State shall administer the require-

ments of this section through the local educational agencies.

(c) ELIGIBLE STUDENTS.—To be eligible to be covered under a health insurance plan offered by a local educational agency, an individual shall—

(1) not be more than 18 years of age and reside in the school district;

(2) be uninsured for a period of not less than 6 months prior to the date on which coverage under the plan offered by such school would commence;

(3) not be covered or enrolled under title XIX of the Social Security Act or under any other public health insurance program; and

(4) meet any other requirements determined appropriate by the State department of education or the Secretary of Education.

(d) ENFORCEMENT.—If the Secretary determines that a local educational agency is not in compliance with the requirements of this section, the Secretary may withhold, or request a remittance, of not to exceed 10 percent of the total amount of Federal educational assistance to be made available, or previously made available, to such local educational agency for the fiscal year during which such noncompliance is occurring.

(f) CONSTRUCTION.—This section shall not be construed as requiring the purchase of policies under this section.

(g) ADMINISTRATIVE SUPPORT.—The Secretary may provide assistance to local educational agencies to assist such agencies in off-setting the additional administrative costs to such agencies in complying with this section.

(h) REGULATIONS.—Not later than 180 days after the date of enactment of this Act, the Secretary of Education shall promulgate regulations necessary to carry out this section.

SEC. 102. REFUNDABLE TAX CREDIT FOR CHILDREN'S HEALTH INSURANCE EXPENSES.

(a) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to refundable personal credits) is amended by inserting after section 34 the following new section:

"SEC. 34A. CHILDREN'S HEALTH INSURANCE EXPENSES.

"(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to the qualified health insurance expenses paid by such individual during the taxable year.

"(b) QUALIFIED HEALTH INSURANCE EXPENSES.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified health insurance expenses' means amounts paid during the taxable year for medical care (within the meaning of section 213(d)(1)(C)) with respect to insurance policies issued pursuant to any program approved under section 101 of the Children's Health Care Improvement Act. For purposes of the preceding sentence, the rules of section 213(d)(6) shall apply.

"(2) DOLLAR LIMIT ON QUALIFIED HEALTH INSURANCE EXPENSES.—The amount of the qualified health insurance expenses paid during any taxable year which may be taken into account under subsection (a) shall not exceed $1,000 per qualifying child adjusted under regulations promulgated by the Secretary to reflect any increase in the consumer price index.

"(3) PHASEOUT.—In the case of any taxpayer whose adjusted gross income exceeds 100 percent of the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved, the dollar amount under paragraph (2) shall be reduced (but not below

zero) by the percentage by which such income exceeds such poverty line.

"(4) ELECTION NOT TO TAKE CREDIT.—A taxpayer may elect for any taxable year to have amounts described in paragraph (1) not treated as qualified health insurance expenses.

"(5) COORDINATION WITH HEALTH INSURANCE PREMIUM CREDIT.—Paragraph (1) shall not apply to any amount taken into account in computing the amount of the credit allowed under section 32.

"(6) SUBSIDIZED EXPENSES.—No expense shall be treated as a qualified health insurance expense if—

"(A) such expense is paid, reimbursed, or subsidized (whether by being disregarded for purposes of another program or otherwise) by the Federal Government, a State or local government, or any agency or instrumentality thereof under title XIX of the Social Security Act, and

"(B) the payment, reimbursement, or subsidy of such expense is not includible in the gross income of the recipient.

"(c) QUALIFYING CHILD.—For purposes of this section, the term 'qualifying child' has the meaning given to

such term by section 32(c)(3) (determined without regard to subparagraph (A)(iii)).

"(d) COORDINATION WITH ADVANCE PAYMENTS OF CREDIT.—

"(1) RECAPTURE OF EXCESS ADVANCE PAYMENTS.—If any payment in excess of the amount of the credit allowable under this section is made to the individual under 7524 during any calendar year, then the tax imposed by this chapter for the individual's last taxable year beginning in such calendar year shall be increased by the aggregate amount of such payments.

"(2) RECONCILIATION OF PAYMENTS ADVANCED AND CREDIT ALLOWED.—Any increase in tax under paragraph (1) shall not be treated as tax imposed by this chapter for purposes of determining the amount of any credit (other than the credit allowed by subsection (a)) allowable under this subpart.

"(f) REDUCTION OF CREDIT TO TAXPAYERS SUBJECT TO ALTERNATIVE MINIMUM TAX.—The credit allowed under this section for the taxable year shall be reduced by the amount of tax imposed by section 55 (relating to alternative minimum tax) with respect to such taxpayer for such taxable year.

"(d) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section."

(b) ADVANCE PAYMENT OF CREDIT.—

(1) IN GENERAL.—Chapter 77 of the Internal Revenue Code of 1986 (relating to miscellaneous provisions) is amended by inserting after section 7523 the following new section:

"SEC. 7524. ADVANCE PAYMENT OF CREDIT FOR CHILDREN'S HEALTH INSURANCE EXPENSES.

"(a) GENERAL RULE.—The Secretary of the Treasury shall make advance payments of refunds to which eligible taxpayers are entitled by reason of section 34A.

"(b) ELIGIBLE TAXPAYER.—For purposes of this section, the term 'eligible taxpayer' means, with respect to any taxable year, any taxpayer if the taxpayer furnishes, at such time and in such manner as the Secretary may prescribe, to the Secretary such information as the Secretary may require in order to—

"(1) determine if the individual will be eligible to receive the credit provided by section 34A for the taxable year, and

"(2) estimate the amount of qualified health insurance expenses (as defined in section 34A(b)) for the calendar year.

"(c) PAYMENTS.—The Secretary shall make payment of the amount determined under subsection (b)(2) upon receipt of the information described in subsection (b).

"(d) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section."

(c) CONFORMING AMENDMENT.—Section 213 of the Internal Revenue Code of 1986 (relating to deduction for medical, dental, etc., expenses) is amended by adding the following new subsection:

"(g) COORDINATION WITH HEALTH INSURANCE EXPENSES CREDIT UNDER SECTION 34A.—The amount otherwise taken into account under subsection (a) as expenses paid for medical care shall be reduced by the amount (if any) of the children's health insurance expenses credit allowable to the taxpayer for the taxable year under section 34A."

(d) TECHNICAL AMENDMENT.—Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting before the period "or from section 34A of such Code".

(e) CLERICAL AMENDMENTS.—

(1) The table of sections for subpart A of part IV of subchapter A of chapter 1 of the Internal Rev-

enue Code of 1986 is amended by inserting after the item relating to section 34 the following new item:

"Sec. 34A. Children's health insurance expenses."

(2) The table of sections for chapter 77 of such Code is amended by inserting after the item relating to section 7523 the following new item:

"Sec. 7524. Advance payment of credit for children's health insurance expenses."

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1992.

TITLE II—WIC PROGRAM, MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT PROGRAM, AND MEDICAID

SEC. 201. DEVELOPMENT OF UNIFORM APPLICATION FORM AND PROCESS.

(a) UNIFORM MODEL APPLICATION FORM AND PROCESS.—The Secretary of Health and Human Services (hereafter referred to in this title as the "Secretary"), working in consultation with the Secretary of Agriculture, shall develop a single model uniform application form and process to be utilized in applying for and obtaining benefits under the Special Supplemental Food Program under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), the Maternal and Child Health Services Block

Grant Program under title V of the Social Security Act (42 U.S.C. 701 et seq.), and the medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et. seq.). The Secretary of Health and Human Services shall provide any waivers necessary to carry out this section.

(b) AVAILABILITY OF FORM AND PROCESS.—The single model uniform application form and process shall be made available to States electing to adopt such form and process for use in applying for and obtaining benefits under such programs.

(c) OUTREACH PROGRAM.—The Secretary, working in consultation with the Secretary of Agriculture, shall provide an outreach program for States electing to adopt the single model uniform application form and process. The outreach program shall be designed to inform recipients and potential recipients of benefits under the Special Supplemental Food Program under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), the Maternal and Child Health Services Block Grant Program under title V of the Social Security Act (42 U.S.C. 701 et seq.), and the medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) of the option to apply for benefits under those programs using the single model uniform application form and process.

SEC. 202. DEMONSTRATION PROGRAM.

(a) IN GENERAL.—The Secretary shall make grants to not more than five States to enable such States to conduct demonstration projects for the purpose of encouraging women to obtain prenatal and well-baby care under the Special Supplemental Food Program under section 17 the Child Nutrition Act of 1966 (42 U.S.C. 1786), the Maternal and Child Health Services Block Grant Program under title V of the Social Security Act (42 U.S.C. 701 et seq.), and the medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

(b) APPLICATION.—

(1) SUBMISSION OF APPLICATION.—To be eligible to receive a grant under this section a State shall prepare and submit to the Secretary an application at such time, in such form, and containing such information as the Secretary may require.

(2) REVIEW AND APPROVAL OF APPLICATION.—The Secretary shall review and approve each application submitted pursuant to paragraph (1) in accordance with such criteria as the Secretary finds appropriate.

(c) AMOUNT OF GRANT.—The amount of a grant to a State under this section shall be an amount that the Secretary finds reasonable and necessary for the develop-

ment and implementation of the State's demonstration program.

SEC. 203. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this title.

TITLE III—EXPANSION OF MIGRANT AND COMMUNITY HEALTH CENTER PROGRAM

SEC. 301. EXPANSION OF MIGRANT AND COMMUNITY HEALTH CENTER PROGRAM.

(a) IN GENERAL.—There are authorized to be appropriated, $250,000,000 to enable the Secretary of Health and Human Services to award grants for the planning and development of additional migrant and community health centers under sections 329 and 330 of the Public Health Service Act (42 U.S.C. 254b and 254c) in medically underserved areas or areas in which there is a high concentration of medically underserved populations.

(b) FUNDING FOR OPERATIONS.—There are authorized to be appropriated, $290,000,000 in each fiscal year to enable the Secretary of Health and Human Services to provide operational assistance to migrant and community health centers developed under subsection (a).

TITLE IV—REVISION OF NATIONAL HEALTH SERVICE CORPS PRIORITIES

SEC. 401. MISSION OF THE CORPS.

Section 331(a) of the Public Health Service Act (42 U.S.C. 254d(a)) is amended by adding at the end thereof the following new paragraph:

"(4) It shall be a principal mission of the National Health Service Corps to increase the access to primary health care services of urban and inner-city poverty stricken target populations (particularly infants and children), rural residents, high-risk pregnant women, migrant workers and their families, substance abusers, and homeless individuals.".

SEC. 402. PRIMARY CARE PHYSICIAN STRATEGY.

(a) IN GENERAL.—Subpart II of part D of title III of the Public Health Service Act (42 U.S.C. 254d et seq.) is amended by inserting after section 335, the following new section:

"SEC. 335A. PRIMARY CARE PHYSICIAN STRATEGY.

"(a) ESTABLISHMENT OF STRATEGY.—The Secretary shall develop and implement, using amounts appropriated under section 338(c), a strategy to provide incentives to encourage primary care physicians to serve—

"(1) in migrant or community health centers or in related health programs; or

"(2) in medically underserved inner-city and rural areas.

"(b) REQUIREMENTS.—The Secretary shall ensure that the strategy developed under subsection (a) requires the implementation of at least one of the programs described in paragraph (1) or (2) through the National Health Service Corps program.

"(1) RECRUITMENT PROGRAM.—Under the strategy developed under subsection (a), the Secretary shall establish a program under the National Health Service Corps to recruit individuals from medically underserved areas to serve as Corps members in the areas from which such individuals were recruited.

"(2) CONTINUED SERVICE PROGRAM.—Under the strategy developed under subsection (a), the Secretary shall establish a program under the National Health Service Corps to encourage Corps members to continue to serve in medically underserved areas after such individuals have discharged their service obligations to the Corps. In determining the method by which to encourage such individuals to continue such service, the Secretary shall evaluate the desir-

ability of providing incentives for such individuals to start a private medical practice or join medical groups, hospitals, and health care systems operating in, or within a reasonable distance from, such medically underserved areas.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 338 of such Act (42 U.S.C. 254K) is amended by adding at the end thereof the following new subsection:

"(c) There are authorized to be appropriated to carry out section 335A, $100,000,000 for each fiscal year.".

TITLE V—CHILDHOOD IMMUNIZATIONS

SEC. 501. INCREASE IN AUTHORIZATION FOR CHILDHOOD IMMUNIZATIONS.

Section 317(j)(1)(B) of the Public Health Service Act (42 U.S.C. 247b(j)(1)(b)) is amended by striking out "such sums as may be necessary" and inserting in lieu thereof "$240,000,000 for each of the fiscal years 1993 through 1997".

TITLE VI—CHILDREN AT RISK

SEC. 601. ESTABLISHMENT OF HEALTHY START DEMONSTRATION PROGRAM.

(a) IN GENERAL.—The Secretary of Health and Human Services shall establish a demonstration program to award grants to five States to enable such States to

implement healthy start programs that would track mothers and children at high-risk of abuse and neglect, and at risk of not receiving necessary services and care and enable such services to be obtained.

(b) ELIGIBILITY.—To be eligible to receive a grant under this section a State shall prepare and submit to the Secretary of Health and Human Services an application at such time, in such manner, and containing such information as the Secretary may require, including a description of the program to be implemented in the State with amounts received under the grant.

(c) PROGRAM REQUIREMENTS.—

(1) DISTRIBUTION OF FUNDS.—In implementing a healthy start program with amounts received under this section, a State shall distribute funds through the State department of health to community health centers or other community social service programs that agree to perform identification and monitoring activities with respect to at risk children.

(2) IDENTIFICATION AND TRACKING SERVICES.—In implementing a healthy start program with amounts received under this section, the department of health of a State shall develop and implement, either directly or through agreements with entities of the type described in paragraph (1), pro-

CMS LIBRARY
3 8095 00017855 4

cedures to identify and track infants born in target areas designated by such department as areas in which children are more likely to be subject to abuse or neglect.

(3) INFORMATION.—In implementing a healthy start program with amounts received under this section, a State shall require that caseworkers providing services under such program to mothers provide such mothers with information concerning services or assistance available under the Special Supplemental Food Program under section 17 of the Child Nutrition Act of 1966, the Food Stamp Act of 1977, titles V and XIX of the Social Security Act and section 8 of the United States Housing Act of 1937.

(d) MODEL SCREENING PROGRAM.—The Secretary of Health and Human Services shall develop and implement, in States that receive assistance under this section, a screening program to identify children determined to be at risk of being subject to abuse or neglect.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

O